

First year of Production

Recipient of Revenue	Millage	Ad Valorem		Difference
		Property Tax *	Severance Tax	
State School Aid Fund	6.0000	45.1166	2.75% @ 85/15	
County	7.5164	\$1,236,000	\$1,117,710	-\$118,290
Michigamme Township	11.0854	\$1,548,378	\$1,400,193	-\$148,185
RM School District	18.3100	\$1,141,796	\$1,032,522	-\$109,274
Humboldt Township	8.9800	\$1,885,930	\$1,705,440	-\$180,490
NICE School District	21.6373	\$924,940	\$836,420	-\$88,520
ISD	2.2048	\$2,228,642	\$2,015,353	-\$213,289
Rural Development fund		\$454,189	\$410,721	-\$43,467
Average Millage	45.7276	0	\$1,503,240	\$1,503,240
		\$9,419,875	\$10,021,600	

Severance Tax
Sales minus transport \$412,000,000

Life of Mine (in years) 1
Annual Value of metal** \$412,000,000
Severance Tax \$1,330,000

2012/2013 Tax rebate
-\$1,308,400
\$10,021,600

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Second year of Production

Recipient of Revenue	Millage	Ad Valorem	Severance Tax	Difference
		Property Tax *		
		45.1166	2.75% @ 85/15	
State School Aid Fund	6.0000	\$1,449,000	\$1,335,473	-\$113,527
County	7.5164	\$1,815,211	\$1,672,992	-\$142,219
Michigamme Township	11.0854	\$1,338,562	\$1,233,688	-\$104,874
RM School District	18.3100	\$2,210,933	\$2,037,709	-\$173,223
Humboldt Township	8.9800	\$1,084,335	\$999,379	-\$84,956
NICE School District	21.6373	\$2,612,704	\$2,408,003	-\$204,701
ISD	2.2048	\$532,459	\$490,742	-\$41,717
Rural Development fund		0	\$1,796,115	\$1,796,115
Average Millage	45.7276	\$11,043,203	\$11,974,100	

Severance Tax

Sales minus transport \$483,000,000

Life of Mine (in years) 1

Annual Value of metal** \$483,000,000

Severance Tax
\$13,282,500

2012/2013 Tax rebate
-\$1,308,400
\$11,974,100

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Third year of Production

Recipient of Revenue	Millage	Ad Valorem	Severance Tax	Difference
		Property Tax *		
		45.1166	2.75% @ 85/15	
State School Aid Fund	6.0000	\$1,110,000	\$988,893	-\$121,107
County	7.5164	\$1,390,534	\$1,238,819	-\$151,715
Michigamme Township	11.0854	\$1,025,400	\$913,523	-\$111,877
RM School District	18.3100	\$1,693,675	\$1,508,886	-\$184,789
Humboldt Township	8.9800	\$830,650	\$740,022	-\$90,628
NICE School District	21.6373	\$2,001,450	\$1,783,081	-\$218,369
ISD	2.2048	\$407,888	\$363,385	-\$44,503
Rural Development fund		0	\$1,329,990	\$1,329,990
Average Millage	45.7276	\$8,459,597	\$8,866,600	

Severance Tax

Sales minus transport \$370,000,000

Life of Mine (in years) 1

Annual Value of metal** \$370,000,000

Severance Tax

\$10,175,000

2012/2013 Tax rebate

-\$1,308,400

\$8,866,600

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Fourth year of Production

Recipient of Revenue	Millage	Ad Valorem	Severance Tax	Difference
		Property Tax *		
		45.1166	2.75% @ 85/15	
State School Aid Fund	6.0000	\$909,000	\$783,399	-\$125,601
County	7.5164	\$1,138,735	\$981,390	-\$157,345
Michigamme Township	11.0854	\$839,719	\$723,691	-\$116,028
RM School District	18.3100	\$1,386,983	\$1,195,336	-\$191,646
Humboldt Township	8.9800	\$680,235	\$586,243	-\$93,992
NICE School District	21.6373	\$1,639,025	\$1,412,553	-\$226,472
ISD	2.2048	\$334,027	\$287,873	-\$46,154
Rural Development fund		0	\$1,053,615	\$1,053,615
Average Millage	45.7276	\$6,927,724	\$7,024,100	

Severance Tax

Sales minus transport \$303,000,000

Life of Mine (in years) 1
Annual Value of metal** \$303,000,000

Severance Tax
\$8,332,500
2012/2013 Tax rebate
-\$1,308,400
\$7,024,100

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Fifth year of Production

Recipient of Revenue	Millage	Ad Valorem	Severance Tax	Difference
		Property Tax *		
		45.1166	2.75% @ 85/15	
State School Aid Fund	6.0000	\$819,000	\$691,386	-\$127,614
County	7.5164	\$1,025,989	\$866,123	-\$159,866
Michigamme Township	11.0854	\$756,579	\$638,691	-\$117,887
RM School District	18.3100	\$1,249,658	\$1,054,941	-\$194,717
Humboldt Township	8.9800	\$612,885	\$517,388	-\$95,497
NICE School District	21.6373	\$1,476,746	\$1,246,645	-\$230,101
ISD	2.2048	\$300,955	\$254,061	-\$46,894
Rural Development fund		0	\$929,865	\$929,865
Average Millage	45.7276	\$6,241,811	\$6,199,100	

Severance Tax

Sales minus transport \$273,000,000

Life of Mine (in years) 1
Annual Value of metal* \$273,000,000

Severance Tax

\$7,507,500

2012/2013 Tax rel -\$1,308,400

\$6,199,100

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

Sixth year of Production

Recipient of Revenue	Millage	Ad Valorem	Severance Tax	Difference
		Property Tax *		
		45.1166	2.75% @ 85/15	
State School Aid Fund	6.0000	\$528,000	\$539,806	\$11,806
County	7.5164	\$661,443	\$676,233	\$14,790
Michigamme Township	11.0854	\$487,758	\$498,664	\$10,906
RM School District	18.3100	\$805,640	\$823,654	\$18,014
Humboldt Township	8.9800	\$395,120	\$403,955	\$8,835
NICE School District	21.6373	\$952,041	\$973,328	\$21,287
ISD	2.2048	\$194,022	\$198,361	\$4,338
Rural Development fund		0	\$726,000	\$726,000
Average Millage	45.7276	\$4,024,024	\$4,840,000	

Severance Tax

Sales minus transport \$176,000,000

Life of Mine (in years) 1
Annual Value of metal** \$176,000,000

Severance Tax
\$4,840,000

\$4,840,000

Footnotes

* same as value of mineral sold divided by 2 times the Republic Michigamme millage rate

7 year tax totals

Recipient of Revenue	Millage	Ad Valorem	Severence Tax	Difference
		Property Tax *		
		45.1166	2.75% @ 85/15	
State School Aid Fund	6.0000	\$6,159,000	\$5,567,083	-\$591,917
County	7.5164	\$7,715,585	\$6,974,070	-\$741,515
Michigamme Township	11.0854	\$5,689,582	\$5,142,778	-\$546,803
RM School District	18.3100	\$9,397,608	\$8,494,440	-\$903,167
Humboldt Township	8.9800	\$4,608,985	\$4,166,034	-\$442,951
NICE School District	21.6373	\$11,105,344	\$10,038,053	-\$1,067,291
ISD	2.2048	\$2,263,227	\$2,045,717	-\$217,510
Rural Development fund		0	\$7,487,325	\$7,487,325
Average	45.7276	\$46,939,330	\$49,915,500	\$2,976,170